Cathedra Bitcoin Provides Operations Update

TORONTO--(BUSINESS WIRE)--January 23, 2023--(Block Height: 773,139) – Cathedra Bitcoin Inc. (TSX-V: CBIT; OTCQX: CBTTF) ("**Cathedra**" or the "**Company**"), a Bitcoin company that develops and operates world-class bitcoin mining infrastructure, is pleased to announce the following operations updates.

Update on Sale of 600 Bitmain Antminer XPs

On November 22, 2021, the Company announced it had entered into an agreement with Bitmain to purchase 600 new Antminer S19 XP bitcoin mining machines to be delivered in monthly increments of 100 machines from July through December 2022.

On July 11, 2022, the Company announced it had entered into an agreement to sell the 600 S19 XPs for total proceeds of US$4,116,000, with 50% of the total purchase price (US$2,058,000) paid in cash upon signing and the balance to be paid in six equal installments upon delivery of each of the batches of machines.

As of December 31, 2022, the Company had delivered 400 of the 600 machines and had received an additional US$686,000 in proceeds from the purchaser, which the Company will use to further reduce the principal on its outstanding convertible debenture after deducting transaction-related expenses.

On January 3, 2023, the purchaser declined to accept delivery and make payment on the final 200 machines, citing shipping delays. Consequently, on January 10, 2023, the Company and the purchaser entered into a termination agreement which mutually released each party of and from any and all remaining obligations under the original purchase agreement. The Company will retain the 200 remaining S19 XPs, which produce a total of 28 PH/s of bitcoin mining hash rate at an industry-leading power efficiency of 21.5 joules per terahash.

Update on Operations

On January 20, 2023, the Company deployed 150 of the remaining 200 S19 XP machines at a third-party data center in Tennessee. Under the terms of the hosting agreement, which lasts for an initial term of 12 months, the Company will pay a fixed rate of seven cents (US$0.07) per kilowatt hour, plus ten percent (10%) of gross bitcoin revenue produced by the hosted S19 XPs. After the installation of the 150 S19 XPs, the Company's diversified bitcoin mining operations now produce approximately 247 PH/s.

The Company continues to evaluate potential opportunities to deploy the remaining 50 S19 XPs and its remaining 1,238 S19J Pro machines.

About Cathedra Bitcoin

Cathedra Bitcoin Inc. (TSX-V: CBIT; OTCQX: CBTTF) is a Bitcoin company that develops and operates world-class bitcoin mining infrastructure.

Cathedra believes sound money and abundant energy are the fundamental ingredients to human progress and is committed to advancing both by working closely with the energy sector to secure the Bitcoin network. Today, Cathedra's diversified bitcoin mining operations total 247 PH/s and span three states and five locations in the United States. The Company is focused on expanding its portfolio of hash rate through a diversified approach to site selection and operations, utilizing multiple energy sources across various jurisdictions.

For more information about Cathedra, visit cathedra.com or follow Company news on Twitter at @CathedraBitcoin or on Telegram at @CathedraBitcoin.

Cautionary Statement

Trading in the securities of the Company should be considered highly speculative. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

This news release contains certain "forward-looking information" within the meaning of applicable Canadian securities laws that are based on expectations, estimates and projections as at the date of this news release. The information in this release about future plans and objectives of the Company, are forward-looking information. Other forward-looking information includes but is not limited to information concerning: the intentions and future actions of senior management, the intentions, plans and future actions of the Company, as well as the Company's ability to successfully mine digital currency; revenue increasing as currently anticipated; the ability to profitably liquidate current and future digital currency inventory; volatility of network difficulty and, digital currency prices and the resulting significant negative impact on the Company's operations; the construction and operation of expanded blockchain infrastructure as currently planned; and the regulatory environment of cryptocurrency in applicable jurisdictions.

Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information.

This forward-looking information is based on reasonable assumptions and estimates of management of the Company at the time it was made, and involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. The Company has also assumed that *no significant events occur outside of the Company's normal course of business. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to revise or update any forward-looking information other than as required by law.*

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